

Company Number: 4,752,535

Companies Act 1985 – 1989

ORDINARY & SPECIAL RESOLUTIONS

of

CAPITAL ACCUMULATION LIMITED



Passed on 9th December 2004

AT AN EXTRAORDINARY GENERAL MEETING of the Company, the following resolutions were passed:

ORDINARY RESOLUTIONS

- 1 THAT the authorised share capital of the company be increased from £31,000 to £34,001.90 by the creation of 100,000 'D' Ordinary Shares of 0.0019p each and the creation of 3,000 new Preference Shares of £1.00 each, each having the rights and being subject to the restrictions set out in the New Articles.
- 2 THAT in substitution for and to the exclusion of all existing authority, the directors of the Company be and are hereby generally and unconditionally authorised, pursuant to Section 80 of the Act, to allot relevant securities up to an aggregate nominal amount of £34,001.90 for the period expiring on the fifth anniversary of the passing of this resolution (unless previously reviewed varied or revoked by the Company in general meeting), provided that the Company may before such expiry make an offer or agreement which would or might require such shares to be allotted after such expiry and the directors may allot relevant securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired.
- 3 THAT the entering into by the Company of a £400,000 convertible unsecured loan agreement with Moore Macro Fund LP be and is hereby ratified, and the directors of the Company be and are hereby authorised (or if already done so, such agreements are hereby ratified) to enter into convertible unsecured loan agreements with various existing shareholders and new investors of the Company for an aggregate amount of up to £600,000.
- 4 THAT the Company's option schemes and arrangements be and are hereby ratified (from the intended dates), and authorisation is given to the directors and/or the Company's remuneration committee to make such further changes or put in place such new schemes and arrangements as are reasonable, provided that in aggregate no more than 10% of the Company's issued ordinary share capital shall be under option.
- 5 THAT the directors be and are hereby generally and unconditionally authorised to grant options for ordinary shares up to an aggregate nominal amount equal to 10% of the Company's issued share capital.

SPECIAL RESOLUTIONS

- 6 THAT the directors of the Company be and are hereby authorised to allot or make offers or agreements to allot securities pursuant to the authority granted by resolution 2 of these resolutions as if Articles 9.1 and 9.2 of the articles of association of the Company did not apply to any such allotment.

- 7 THAT the directors of the Company be and are hereby authorised to grant options pursuant to the authority granted in paragraph 5 of these resolutions as if Articles 9.1 and 9.2 of the articles of association of the Company did not apply.
- 8 THAT the Regulations contained in the document attached to these resolutions be and are hereby adopted as the articles of association of the Company (the "New Articles") in substitution for and to the exclusion of all the existing articles of association.


Director

